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Article 29

Transformation into a Market Economy

29.1 Members in the process of transformation from a centrally-planned into a market, free-enterprise economy may apply programmes and measures necessary for such a transformation.

29.2 For such Members, subsidy programmes falling within the scope of Article 3, and notified according to paragraph 3, shall be phased out or brought into conformity with Article 3 within a period of seven years from the date of entry into force of the WTO Agreement. In such a case, Article 4 shall not apply. In addition during the same period:

- (a) Subsidy programmes falling within the scope of paragraph 1(d) of Article 6 shall not be actionable under Article 7;
- (b) With respect to other actionable subsidies, the provisions of paragraph 9 of Article 27 shall apply.

29.3 Subsidy programmes falling within the scope of Article 3 shall be notified to the Committee by the earliest practicable date after the date of entry into force of the WTO Agreement. Further notifications of such subsidies may be made up to two years after the date of entry into force of the WTO Agreement.

29.4 In exceptional circumstances Members referred to in paragraph 1 may be given departures from their notified programmes and measures and their time-frame by the Committee if such departures are deemed necessary for the process of transformation.

1.2 General

1. Seven Members, which were in a process of transformation from a centrally-planned economy into a market economy, notified the SCM Committee of transitional arrangements under Article 29.3.¹ These notifications can be found in the document series [G/SCM/N/9/*](#).

Current as of: July 2020

¹ These seven Members consist of: Czech Republic; Hungary; Jordan; Oman; Poland; Romania; and Kingdom of Saudi Arabia. For a full list containing documents numbers, see [G/SCM/W/546/Rev.11](#), Annex L.